



**MINUTES OF SPECIAL JOINT CITY  
COUNCIL/REDEVELOPMENT AGENCY MEETING  
OF THE CITY OF HAYWARD  
City Council Chambers  
777 B Street, Hayward, CA 94541  
Tuesday, July 24, 2001, 8:00 p.m.**

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**MEETING**

The Special Joint City Council/Redevelopment Agency was called to order by Mayor/Chair Cooper at 8:00 p.m., followed by the Pledge of Allegiance led by Council/RA Member Hilson.

**ROLL CALL**

Present: COUNCIL/RA MEMBERS Jimenez, Hilson,  
Rodriguez, Ward, Dowling, Henson  
MAYOR/Chair Cooper

Absent: None

**PUBLIC COMMENTS**

Robert Lopez discussed the City Council and money interests. He also talked about the Downtown Redevelopment Plan.

Barbara Heringer-Swarr commented on redevelopment in other cities and discussed eminent domain.

Frank Goulart talked about graffiti and its effects on the appearance of the City of Hayward. He suggested a graffiti hotline for all reporting.

Jason Moreno discussed his campaign solutions for Hayward as well as campaign finance reform.

Jim Drake talked about the power plant and whether it would be up for vote. He asked for the citizens of Hayward to get a 20% discount on power.

**BOARDS/COMMISSIONS**

1. Appointments and Reappointments to Various Boards, Committees, and Commissions/Administer Oaths of Office

Staff report submitted by City Clerk Reyes, dated July 24, 2001,  
was filed.

It was moved by Council Member Ward, seconded by Council Member Rodriguez, and unanimously carried to adopt the following:

Resolution 01-116, "Resolution Confirming the Appointment and Reappointment of Members to Advisory Boards, Commissions, and Committees"

City Clerk Reyes administered the Oath of Office to the following new members: Sylvia Jackson, Albert Mendall III, and Robert Imazumi of the Citizen's Advisory Commission; Lynnette Linnen, Michael Comini and Kelly Ryan of the Human Services Commission; Jessica Fields and Elsa Glines of the Library Commission.

**CONSENT**

Council Member Jimenez asked for Item 9 to be removed for discussion.

2. Approval of Minutes of the Meeting of July 17, 2001

It was moved by Council Member Henson, seconded by Council Member Hilson, and unanimously carried to approve the Minutes of the Meeting of the City Council of July 17, 2001.

3. Adoption of Ordinance Amending the Off-Street Parking Regulations as they Apply to Residential Parking Requirements in the Central City Sub-Districts

Staff report submitted by City Clerk Reyes, dated July 24, 2001, was filed.

It was moved by Council Member Henson, seconded by Council Member Hilson, and unanimously carried to adopt the following:

Ordinance 01-09, "An Ordinance Amending Section 10-2.411 of Article 2, Chapter 10 of the Hayward Municipal Code to Amend the Off-Street Parking Requirements in the Central Parking District"

4. Traffic Signal Installation West Tennyson Road at Oliver Drive: Approval of Plans and Specifications and Call for Bids

Staff report submitted by Deputy Director of Public Works Bauman, dated July 24, 2001, was filed.

It was moved by Council Member Henson, seconded by Council Member Hilson, and unanimously carried to adopt the following:



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Resolution 01-117, "Resolution Approving Plans and Specifications for Traffic Signal Installation on West Tennyson Road at Oliver Drive, Project No. 5747, and Call for Bids"

5. Authorization for City Manager to Submit Grant Application to the California Energy Commission for Various Conservation Measures

Staff report submitted by Finance Director Carter, dated July 24, 2001, was filed.

It was moved by Council Member Henson, seconded by Council Member Hilson, and unanimously carried to adopt the following:

Resolution 01-118, "Resolution of the City of Hayward for the Innovative Efficiency and Renewables Program"

6. Arterial Pavement Rehabilitation Phase II – Approval of Addendum and Award of Contract

Staff report submitted by Deputy Director of Public Works Bauman, dated July 24, 2001, was filed.

It was moved by Council Member Henson, seconded by Council Member Hilson, and unanimously carried to adopt the following:

Resolution 01-119, "Resolution Approving Addendum No. 1 and Awarding Contract to Gallagher & Burk, Inc., for the Arterial Pavement Rehabilitation Phase II Project, Project No. 5150"

7. Authorization to Extend Contract for Computer Network Design, Installation and Configuration for Creating a Single Citywide Network for Departments

Staff report submitted by Deputy City Manager/Technology Services Director Garg, dated July 24, 2001, was filed.

It was moved by Council Member Henson, seconded by Council Member Hilson, and unanimously carried to adopt the following:

Resolution 01-120, "Resolution Authorizing the City Manager to Extend the Contract with Extrateam for Computer Network Design, Installation and Configuration"

8. Adoption of Positions and Salaries Resolution for Fiscal Year 2001-2002

Staff report submitted by Human Resources Director Perin-Scales, dated July 24, 2001, was filed.

It was moved by Council Member Henson, seconded by Council Member Hilson, and unanimously carried to adopt the following:

Resolution 01-121, "Resolution Designating Positions of Employment in the City Government of the City of Hayward; Providing for their Number and Salary Range; and Superseding Resolution No. 00-109 and All Amendments Thereto"

9. Request for Allocation of Park Dedication In-Lieu Fees to Renovate Various Parks in Hayward

Staff report submitted by Deputy Director of Public Works Bauman, dated July 24, 2001, was filed.

Council Member Jimenez congratulated HARD on the outstanding job they have been doing with the parks.

Council Member Dowling thanked the Recreation Department particularly, for including Valle Vista Park in their renovations.

It was moved by Council Member Jimenez, seconded by Council Member Dowling, and unanimously carried to adopt the following:

Resolution 01-122, "Resolution Approving Request of Hayward Area Recreation and Park District for Allocation of Park Dedication In-Lieu Fees for the Purpose of Improving Playground Equipment and Other Improvements of Five Park Sites"

Resolution 01-123, "Resolution Amending Resolution 01-097, as Amended, the Budget Resolution for Capital Projects for Fiscal Year 2001-02 Relating to an Appropriation of Funds for Dedication of Park-in-Lieu Fees for Various Parks throughout the City of Hayward"



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**HEARINGS**

**10. Consideration of Establishing Local Improvement District No. 18: Downtown Sidewalk and Streetscape Rehabilitation**

Staff report submitted by Deputy Director of Public Works Bauman, dated July 24, 2001, was filed.

Director of Public Works Butler gave the report. He noted the reasons for the rehabilitation were safety, circulation, and sidewalk maintenance. He commented on the property owners meeting and the concerns they expressed. He said that the formation of the district was dependent on the vote of the property owners in the District.

Mayor Cooper opened the public hearing at 8:31 p.m.

Stephen Kanzee stated the unfairness of the City in weighting the ballots with the numbers of properties they own in the area. He also commented on the possibility of ballots that may have been lost or were missing.

Frank Goulart discussed the costs described for the assessment district and the unfairness for property owners in the fringe areas to pay so much when the focus of the renovation will be B Street. He also commented about the preservation issues for the area and the many unique features that the EIR should have noted for the area. He asked Council to disapprove the Negative Declaration. He wondered about the costs noted in the report.

Director of Public Works Butler responded that the bid would determine the final assessment, which would be less than noted. He added that samples from the glass on the sidewalk would be preserved at the Historical Society.

Ed Little represented the Masonic Lodge on B Street, and discussed the fact that their only funding comes from members which they, in turn, apply to scholarships and children's needs. He commented that assessment would not be the best way of spending their money. He noted other projects needing funding including parking, traffic and the homeless.

Barbara Heringer-Swarr commented on what is good for the whole community. Business owners need more help rather than simply paying more taxes.

Council Member Henson asked about the question of the owners on the fringes not getting the maximum benefit. He wondered what their benefit would be.

City Manager Armas responded that the nature of the district suggests boosting the whole district. This represents the historic downtown retail core. So by improving this area, there would be benefits to all.

Wiley Johnson, a property owner between A and B on Main Street, said they are being penalized for owning property in the downtown area. He discussed non-conforming uses, which failed to gain City approval recently. He stated that he was against this proposal wholeheartedly.

George Diamantine, property owner on B Street, commented about the wave of the future being big box stores since this will bring more revenue to the City of Hayward at the cost of eliminating the small retailer. These stores draw from downtown so he proposed that they should be paying for the improvements of downtown. He noted that other cities have done this.

Allan Cox, property owner on Main Street, suggested that the City employed a legal loophole to develop the assessment district. He discussed the financial impact to the area. He commented on the lack of notification of previous meetings, and said he sent a letter to the Mayor and Council members in May and had not yet received an answer.

Gary Dawes from Idaho, said their property downtown had been in his wife's family for many years. They have not been totally informed about the activities in the area. He noted that they are trying to keep the property in the family. He commented on his retail tenants and how they would like to keep them. He did not think new sidewalks were the answer to the problems on B Street. He suggested that the City help the storeowners recover their losses from the earthquake retrofitting.

Francisco Abrantes, Hayward resident, commented on his experience with the City's assessment for sidewalks.

Robert Lopez, Hayward resident, discussed the history of the American Revolution. He compared this issue to it saying that this is taxation without representation. He suggested that Council and staff listen to the people. He also discussed the Herndon Chiropractic Clinic and their bills.

Marlene Herndon, long-time resident and downtown property owner, said this assessment district does not meet the needs of downtown Hayward. She commented that the scope of the project and the method of assessment were disproportionate to the benefits received. She asked about the \$403,000 expenditure to complete the project.



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City Manager Armas discussed the expenditure which was provided in the preliminary construction drawings. He noted the competitive bidding process to select the engineering firm that did the preliminary work.

Ross Fogarty, Mission Boulevard property owner, asked how the City acquired their property in the Assessment District. He suggested that the City should be eliminated from voting since they have not earned the right to represent the property. He then discussed the response to graffiti on property and the punitive action taken. He noted that he was the victim of graffiti and was made to pay for its cleanup.

City Manager Armas responded that City properties in the area had been acquired over a number of years.

Jason Moreno, Hayward resident, discussed a man he described as a local hero in the community, George Diamantine, and how he worked to help keep the Home Depot from being built. He then asked why the City could not fund this amount in a similar manner to the bond funding for the apartment complex that was acted on last week. He suggested that property owners should be able to go into the marketplace to seek repairs on their own. He commented that since they are trusted to run a business in the City of Hayward, they should be trusted to fund these repairs.

City Manager Armas explained the City's responsibility in the previous complex action and why there was no actual funding from the City for that project. He noted that the reason for creating the Assessment District was for economy, consistency and continuity of the work.

Mayor Cooper closed the public hearing at 9:08 p.m.

She then asked for a short recess until the ballots were counted. The City Clerk reported that after tabulation of the assessment ballots submitted the total amount in favor was \$2,284,324.52. Total opposition, \$2,453,271.89. There was a majority protest against the assessment. City Manager Armas then recommended that the Council approve the Negative Declaration. In response to Council Member Dowling's question as to why they should pass this item, he noted that it would complete the project.

It was moved by Council Member Ward, seconded by Council Member Rodriquez, and unanimously carried to adopt the following:

Resolution 01-124, "Resolution Adopting the Negative Declaration for the Local Improvement District No. 18, Downtown Sidewalk and Streetscape Rehabilitation Project"

## 11. Cannery Area General Plan Amendment

### A. Adoption of Cannery Area Design Plan and Related Amendments to the General Plan and Zoning Ordinance, Certification of Final Environmental Impact Report, and Adoption of Mitigation Monitoring and Reporting Program

Staff report submitted by Senior Planner Calame, dated July 24, 2001, was filed.

Senior Planner Calame described the area, the history of the meetings with residents and owners in the area, and the proposed recommendation.

Mayor Cooper opened the public hearing at 9:43 p.m.

Patrick R. McGill, ConAgra, discussed the amount of ConAgra property that is involved in the project. He asked the Council not to certify the EIR or the final plan. He suggested that there was not enough information on the impacts to proceed.

Council Member Ward asked about their concerns regarding the zoning change from Industrial to Residential. He then asked whether ConAgra's opposition was based on the fact that they are not being informed with enough information to implement the plan and the feasibility of the plan.

Mr. McGill responded that they do not feel there is enough information to implement the plan, and how it would be funded. Meanwhile they cannot do any planning for their property and whether increased capital expenditures to the facility can be justified.

Council Member Dowling asked for staff to respond to ConAgra's concerns of time, project implementation and zoning on that property.

City Manager Armas discussed the numerous conversations staff has had with ConAgra representatives. He commented on the two parallel measures taking place. One is the land use decision; the second is covered through the Redevelopment Agency, which would authorize the release of a request for proposal to assure that the plan is implemented in a timely, orderly, and coherent manner. Staff is suggesting responses be received by the end of September, and that a recommendation be returned to the Agency by the end of the calendar year to ensure this proceeds in a timely manner.

Mr. McGill responded that this still does not tell them the amount of time it will take to get to the realization of the project. He admitted that they have been invited to meetings and have asked for responses, however, they would like further information on how long their assets would be tied up before the project moves forward.





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Jeffery Pemstein, PMC Corporation, explained that his company had been retained by ConAgra to review the planning, design and environmental documents. He submitted a letter summarizing their comments. He said they expressed concerns during the Draft Environmental Impact Report stage. He noted that their primary issue is with the project description. He commented that, in order for the document to be adequate, a description of today's conditions must be included. He also stated that other alternatives should be considered. He noted the discrepancies in the traffic analysis. In short, he said they raised issues that should have been addressed in the report.

Council Member Henson asked whether, in saying this document has not adequately addressed environmental issues, if ConAgra has done any studies of their own. He was told ConAgra has not.

Council Member Ward suggested that in the Final EIR, there are responses to these questions. He then asked Mr. Pemstein whether, based on their experience and opinion, would the FEIR meet CEQA standard. Mr. Pemstein responded that in his experience this document would not meet the test.

City Manager Armas noted that he had just received the letter from PMC, and staff could bring a response back at a later time.

Senior Planner Calame responded to several comments. He said staff believes the description of the existing setting to be adequate. He explained that this is a program EIR, at the Master Plan level. He added that there were many alternatives considered. Staff responded to feedback from various agencies and comments from residents to determine the preferred alternative.

Mr. Pemstein suggested that the City do a market analysis to determine what the market will bear in the future of this project.

Mike Oliver, representing ConAgra, noted that they have been in their present location for a number of years. They are not in the land development business. He commented that they were concerned about the plans for their property since they do not know the market here, and that they are a conservative group. He also thanked staff for the great access they have been given.

Frank Goulart described the vision for open space determined a number of years ago by the City Council. The question at that time was, "Where do the children play?" He noted a previous state of the City report that commented on park dedication and the estimate of parks needed. He asked how a plan could be adopted that does not coordinate with a City ordinance.

Barbara Heringer-Swarr discussed condominium projects. She noted that they have an approximate 30-year life span. She commented on their high percentage of workmanship

problems and structural defects. She said that this plan will create the ghettos that our children will have to live with and stated that she is against this part of the redevelopment plan.

Anne Terrasas, Amador Street, discussed the lack of inclusion of the residents and homeowners from the west side of the area. She also took issue that no information to the residents was disseminated in Spanish. She offered cheers and thanks for City Clerk Reyes and her staff for developing a Spanish translation of this meeting notice. She specifically asked that the plans for development leave Centennial Park alone.

Brian Stanke, Jane Avenue, commented on the effort, but expressed concern that the details can use improvement.

Yvonne Dardenne, Flint Court, described her home, a 21-unit townhouse, in the County at the edge of the district. She said she particularly supports the development of Area 1, and would like to see more impetus for retail/commercial in that area.

Bernice Cordoba, Amador Street, discussed the history of Centennial Park. She described how people in her neighborhood took an apricot orchard and made it into this Park. She also spoke in favor of the Cannery Park as well as a new Burbank School. She asked for assurance that no homes would be built around Centennial Park.

Mike Korte, representing Owens-Illinois Glass container plant and the warehouse next to it, introduced himself and his business. They purchased the business in 1997. He asked about any rezoning to his property under the plan.

Council Member Hilson explained that the zoning on those parcels will not change, and that there will be no threat to his business in foreseeable future. He did suggest that they keep monitoring the progress of the planning area.

Jason Kliwer, Trumark Companies, said they were discussing development of the Santos property on Grand Avenue. He was disturbed by the current designation in the plan, and noted that they were opposed to splitting the zoning between high density and commercial zoning. He noted that empirical studies have shown that all residential zoning would be more marketable in this area. He discussed the housing crisis in the Bay Area, which would not likely be affected by the economy. He said their company enjoys building near transit centers and would like to continue their building momentum in Hayward.

Council Member Hilson asked about the map that shows the two properties with different zoning.

Senior Planner Calame described the present zoning and the proposed zoning in the area.

Council Member Dowling cited this is a good example as to what happens when a different plan comes in versus what the City wants.



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John Steinbush, Principal Mutual Life Insurance, commented on the 26-acres owned by his company. He made suggestions as well and expressed similar concerns to ConAgra. His company holds a use permit until the year 2006. He asked the City not to take their properties. He suggested letting the owners use the properties as long as they can. He asked particularly whether there is a market for what has been designed.

City Manager Armas responded that in the timing for the project, the City of Hayward would first address the school needs before the development occurs. It would not be unusual for the project to take some time. He commented on the urban character of the project, which accounts for the high-density proposals.

Mayor Cooper closed the public hearing at 10:53 p.m.

Mayor Cooper asked about the impact on Centennial Park. She was told that there would be no affect on the park. However, the design plan shows an approach to alter the park with the permission of HARD.

Council Member Ward, moved, seconded by Council Member Jimenez, the recommendation of staff for the six items.

Council Member Dowling asked to take out the reference to housing on Centennial Park. He was told this would not be acceptable. He then commented on the Plan itself saying that this is a long-range plan, which includes the increased use of BART and Amtrak.

Council Member Hilson discussed his enthusiasm for the Cannery Area. He said he has a problem with the number of blocks of high density residential. He said this does not respond to the Council's proposal of mixed-use housing throughout the City. He said the impact would be major and not the best thing for the City of Hayward. He noted having essentially the majority of the project high-density, that it will evolve into something that is not going to be in the best interest of the City due to its concentration. He could not support going forward with this without more medium density.

Council Member Henson said he has shared some of these concerns. However, he read a letter from BART, which discussed a proposal for Union City that would include 50-80 units per acre. They noted the critical need for housing in the Bay Area in and around transit centers. He explained that his major concern is the need for retail services in the area. He said he hoped the plan would be flexible enough to have more community-type retail services in the area as well. He said he would support the motion with some reservation. He noted the potential for the new school and community center.

Council Member Rodriquez asked about the previous questions regarding the environmental document. She was told that, after further review, staff did not feel there was any need for more study. She said she would support the motion, but with reservations.

City Manager Armas added that many of the questions raised were more marketing questions rather than environmental questions.

Council Member Jimenez noted the fact that there was too much density in the proposal. Council Member Ward commented that each proposal would be considered on its own merit.

It was moved by Council Member Ward, seconded by Council Member Jimenez, and carried by the following roll call vote to accept the following proposals:

AYES: Council Members Rodriquez, Ward, Dowling, Henson  
MAYOR Cooper  
NOES: Council Members Jimenez, Hilson  
ABSENT: None  
ABSTAINED: None

Resolution 01-125, "Resolution Certifying Program Environmental Impact Report, Approving Mitigation Monitoring and Reporting Program, Adopting a Design Plan, Mitigation Measures and a General Plan Amendment for the Cannery Area"

Ordinance 01-\_\_ "An Ordinance Amending Zoning Maps A6 and B6 of Chapter 10, Article 1 of the Hayward Municipal Code by Rezoning Certain Territory Located in the Cannery Area"

Ordinance 01-\_\_ "An Ordinance Amending Zoning Ordinance, Chapter 10, Article 1 of the Hayward Municipal Code to Establish a New Special Design Overlay Zoning District for the Cannery Area"

B. Authorization to Issue a Request for Proposals for Implementation of the Cannery Area Design Plan

Community Redevelopment Director Bartlett provided the scope of the work and noted the exclusions to the project on this Request for Proposals. She said the RFP's would be due by the end of September. She discussed the affordable housing stipulations. She then responded to questions.



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Council/RA Member Hilson discussed the staff proposal asking for a response within two months. He felt that this was too short of a time-span in which to come up with a quality project.

City Manager/Executive Director Armas discussed the conceptual plan, which has been developed. He noted that several parties have already expressed interest.

Council/RA Member Henson asked for assurance of consideration for those projects that did not specifically follow the proposal.

Council/RA Member Ward asked whether this approach of a development team is more efficient than determining a master developer.

Council/RA Member Jimenez said he agreed with staff recommendation.

Council/RA Member Rodriquez asked whether any developers have already expressed interest at this point in time.

City Manager/Executive Director Armas noted that there have been three development teams that have contacted the City. He commented that an affordable housing component would be part of the proposal.

Mayor/Chair Cooper opened and closed the public hearing at 11:27 p.m.

It was moved by Council/RA Member Jimenez, seconded by Council/RA Member Ward, and carried by the following roll call vote to authorize issuance of a Request for Development Proposals for a mixed-use development in the Cannery Area consistent with the Cannery Area Design Plan.

AYES: Council/RA Members Jimenez, Rodriquez, Ward,  
Dowling, Henson  
MAYOR/Chair Cooper  
NOES: Council/RA Member Hilson  
ABSENT: None  
ABSTAINED: None

## **COUNCIL REPORTS**

Mayor Cooper announced that the Council would be in recess through the month of August, although staff would be available. She noted that the next Council meeting is scheduled for September 11, 2001.

## **ADJOURNMENT**

Mayor Cooper adjourned the meeting at 11:29 p.m.

**APPROVED:**

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Roberta Cooper, Mayor, City of Hayward  
Chair, Redevelopment Agency

**ATTEST:**

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Angelina Reyes, City Clerk, City of Hayward  
Secretary, Redevelopment Agency